

**Introduced by Senator Corbett**

January 11, 2011

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An act to amend Section 18897.47 of, and to repeal and amend Section 18897.27 of, the Business and Professions Code, relating to professions and vocations.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 101, as introduced, Corbett. Athlete agents: conflicts of interest.

Existing law, the Miller-Ayala Athlete Agents Act, the violation of which is a crime, regulates specified activities of an athlete agent in representing or seeking to represent student athletes and professional athletes. Under this act, an agent is prohibited from having an ownership or financial interest in any entity that is directly involved in the same sport as a person the agent represents, as specified.

This bill would instead prohibit an athlete agent from having an ownership or financial interest in an entity that directly employs athletes in the same sport as a person the agent represents, as specified.

Existing law prohibits an athlete agent from dividing fees with or receiving compensation from a professional sports league, team, or other organization or its representatives or employees.

This bill would limit the prohibition on an athlete agent dividing fees or receiving compensation to fees or compensation directly related to on-field activities of athletes or other representation of the league, team, or organization directly related to athlete employment.

This bill would repeal an obsolete provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 18897.27 of the Business and Professions  
2     Code, as added by Section 2 of Chapter 857 of the Statutes of  
3     1996, is repealed.

4     ~~18897.27. No athlete agent shall have an ownership or financial~~  
5     ~~interest in any entity that is directly involved in the same sport as~~  
6     ~~a person with whom the athlete agent has entered into an agreement~~  
7     ~~contract, for whom the athlete agent is attempting to negotiate an~~  
8     ~~endorsement contract, financial services contract or professional~~  
9     ~~sports service contract, or for whom the athlete agent provides~~  
10    ~~advice concerning potential or actual employment as a professional~~  
11    ~~athlete.~~

12    SEC. 2. Section 18897.27 of the Business and Professions  
13    Code, as added by Section 2 of Chapter 858 of the Statutes of  
14    1996, is amended to read:

15    18897.27. No athlete agent shall have an ownership or financial  
16    interest in any entity that ~~is directly involved~~ *directly employs*  
17    ~~athletes~~ in the same sport as a person with whom the athlete agent  
18    has entered into an agent contract, or for whom the athlete agent  
19    is attempting to negotiate an endorsement contract, financial  
20    services contract, or professional sports service contract, or for  
21    whom the athlete agent provides advice concerning potential or  
22    actual employment as a professional athlete.

23    SEC. 3. Section 18897.47 of the Business and Professions  
24    Code is amended to read:

25    18897.47. No athlete agent shall divide fees with or receive  
26    compensation from a professional sports league, team, or other  
27    organization or its representatives or ~~employee, or employees, if~~  
28    ~~the fees or compensation are directly related to on-field activities~~  
29    ~~of athletes or other representation of the league, team, or~~  
30    ~~organization as it directly relates to the employment of athletes.~~  
31    *In addition, no athlete agent shall offer or allow any full-time*  
32    employee of a union or players' association connected with  
33    professional sports to own or participate in any of the revenues of  
34    the athlete agent.